

RESOLUTION NO. 20110912-MLGC003

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
MUELLER LOCAL GOVERNMENT CORPORATION**

The Board approves the Operating Budget for the Mueller Local
Government Corporation for the 2011 – 2012 Fiscal Year, beginning
October 1, 2011 and ending September 30, 2012, attached to this
resolution.

ADOPTED: September 12, 2011

ATTEST



Kevin Johns
Secretary

Mueller Local Government Corporation

Purpose and Nature of Fund

This fund was created to issue debt related to the development of the Mueller Redevelopment Project.

To facilitate the redevelopment of property formerly known as the Robert Mueller Municipal Airport, the City entered into a Master Development Agreement with Catellus Austin, LLC. The City agreed to issue debt to finance certain "Public Finance Reimbursement Project Costs," either directly or through the Corporation. Approximately \$12,000,000 in Contract Revenue Bonds was issued in August 2006 and approximately \$15,000,000 was issued in September 2009.

In addition, ad valorem taxes collected within the Mueller Tax Increment Financing Zone (TIF) will be transferred to the Corporation from the Tax Increment Fund to fund debt service requirements associated with the Mueller Project.

Factors Affecting Revenue

Mueller Local Government Corporation Revenue includes \$982,856 from the Economic Incentives Reserve Fund for debt service of the 2006 Contract Revenue Bonds and a transfer in the amount of \$1,881,314 from ad valorem taxes collected within the zone for debt service related to the 2009 bond issuance. Future revenues from the Tax Increment Fund will be used for future debt issuances related to the Mueller Redevelopment Project.

Factors Affecting Requirements

The proposed expenditures of \$2,156,744 from the Mueller Local Government Corporation includes debt service for principal and interest payments and administrative costs.

	2008-09 Actual	2009-10 Actual	2010-11 Amended	2010-11 Estimate	2011-12 Proposed
Transfers In	\$984,493	\$2,767,384	\$2,515,750	\$1,954,578	\$2,864,170
Requirements	\$981,981	\$1,510,284	\$2,377,143	\$2,377,143	\$2,156,744

**MUELLER LOCAL GOVERNMENT CORPORATION
2011-2012 OPERATING BUDGET**

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 AMENDED	2010-11 ESTIMATE	2011-12 PROPOSED
BEGINNING BALANCE	219,917	222,429	597,119	1,552,755	1,130,190
REVENUE					
City of Austin Grant	981,981	982,456	983,069	983,069	982,856
Accrued Interest Income	0	0	0	0	0
Tax Increment Financing	0	1,783,806	1,532,681	971,509	1,881,314
Interest Income	2,512	1,122	0	0	0
TOTAL REVENUE AND TRANSFERS IN	984,493	2,767,384	2,515,750	1,954,578	2,864,170
REQUIREMENTS					
Principal	450,000	1,014,134	1,095,000	1,095,000	1,120,000
Interest Expense	531,981	41,586	1,068,881	1,068,881	1,033,544
Other		454,564	0	0	3,200
Transfer to Mueller TIF*	0		213,262	213,262	0
TOTAL REQUIREMENTS	981,981	1,510,284	2,377,143	2,377,143	2,156,744
EXCESS (DEFICIENCY) OF REVENUE OVER REQUIREMENTS	2,512	1,257,100	138,607	(422,565)	707,426
ADJUSTMENT TO GAAP	0	73,226	0	0	0
ENDING BALANCE	222,429	1,552,755	735,726	1,130,190	1,837,616